



INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1270]

Certain Casual Footwear and Packaging Thereof; Commission Determination Not to Review Two Initial Determinations to Add Certain New Respondents, to Partially Terminate the Investigation with Respect to Certain Other Respondents, and to Extend the Target Date

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission (“Commission”) has determined not to review two initial determinations (“ID”) issued by the presiding chief administrative law judge (“CALJ”) to: (i) amend the complaint and notice of investigation to add certain new respondents and partially terminate the investigation with respect to certain other respondents (Order No. 30); and (ii) extend the target date for completion of this investigation to May 9, 2023 (Order No. 31).

FOR FURTHER INFORMATION CONTACT: Carl P. Bretscher, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 20436, telephone (202) 205-2382. Copies of non-confidential documents filed in connection with this investigation may be viewed on the Commission’s electronic docket (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email EDIS3Help@usitc.gov. General information concerning the Commission may also be obtained by accessing its Internet server at <https://www.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission’s TDD terminal on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on July 9, 2021, based on a complaint filed by Crocs, Inc. of Broomfield, Colorado (“Crocs”). 86 FR 36303-304 (July 9, 2021). The complaint, as supplemented, alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 (“Section 337”), in the importation into the United States, sale for importation, or sale in the United States after importation of certain casual

footwear and packaging thereof by reason of infringement of one of more of U.S. Trademark Registration Nos. 3,836,415; 5,149,328; and 5,273,875. *Id.* The complaint further alleges that a domestic industry exists. *Id.*

The Commission's notice of investigation named twenty-three respondents: Hawkins Footwear, Sports, Military & Dixie Store of Brunswick, Georgia ("Hawkins"); Bijora, Inc. d/b/a Akira of Chicago, Illinois ("Akira"); Yoki Fashion International LLC of New York, New York ("Yoki"); Dr. Leonard's Healthcare Corp. d/b/a Carol Wright of Edison, New Jersey ("Dr. Leonard's"); Cape Robbin Inc. of Pomona, California ("Cape Robbin"); SG Footwear Meser Grp. Inc. a/k/a Goldberg & Co. of Hackensack, New Jersey ("SG Footwear"); Skechers USA, Inc. of Manhattan Beach, California ("Skechers"); Fujian Huayan Well Import and Export Trade Co., Ltd. of Fuzhou, Fujian Province, China ("Fujian"); Fullbeauty Brands Inc. of New York, New York ("Fullbeauty"); Legend Footwear, Inc. d/b/a Wild Diva of City of Industry, California ("Wild Diva"); Crocsky of Austin, Texas ("Crocsky"); Hobibear Shoes and Clothes Ltd. of Brighton, Colorado ("Hobibear"); Ink Tee of Los Angeles, California ("Ink Tee"); Hobby Lobby Stores, Inc. of Oklahoma City, Oklahoma ("Hobby Lobby"); La Modish Boutique of West Covina, California; Loeffler Randall Inc. of New York, New York ("Loeffler Randall"); Maxhouse Rise Ltd. of Hong Kong ("Maxhouse Rise"); PW Shoes, Inc. of Maspeth, New York; Shoe-Nami Inc. of Gretna, Louisiana; Star Bay Group Inc. of Hackensack, New Jersey; Quanzhou ZhengDe Network Corp. of Quanzhou, Fujian Province, China; 718 Closeouts of Brooklyn, New York; and Royal Deluxe Accessories, LLC of New Providence, New Jersey. The Office of Unfair Import Investigations ("OUII") was also named as a party to this investigation.

On August 24, 2021, the Commission partially terminated the investigation with respect to Skechers based on a settlement agreement between Crocs and Skechers. Order No. 12 (Aug. 11, 2021), *unreviewed by Comm'n Notice* (Aug. 24, 2021). The Commission has also partially terminated the investigation with respect to certain respondents based on settlement agreements,

consent orders, and consent order stipulations and issued the consent orders accordingly. *See* Order No. 16 (Aug. 26, 2021) (terminating SG Footwear), Order No. 17 (Aug. 16, 2021) (Cape Robbin), *unreviewed by* Comm’n Notice (Sept. 24, 2021); Order No. 20 (Sept. 1, 2021) (Dr. Leonard’s), *unreviewed by* Comm’n Notice (Sept. 29, 2021); Order No. 22 (Sept. 9, 2021) (Fullbeauty), Order No. 23 (Wild Diva), *unreviewed by* Comm’n Notice (Oct. 7, 2021); Order No. 24 (Sept. 17, 2021) (Fujian), *unreviewed by* Comm’n Notice (Oct. 7, 2021); Order No. 25 (Sept. 22, 2021) (Yoki), *unreviewed by* Comm’n Notice (Oct. 7, 2021); Order No. 26 (Sept. 28, 2021) (Akira), *unreviewed by* Comm’n Notice (Oct. 27, 2021); Order No. 27 (Sept. 21, 2021) (Hawkins), *unreviewed by* Comm’n Notice (Oct. 29, 2021).

On September 13, 2021, Crocs moved to amend the complaint and notice of investigation, based on information obtained during discovery, to add eleven new respondents: Huizhou Xinshunzu Shoes Co., Ltd. (“Huizhou”); Orley Shoe Corp (“Orley”); Dongguan Eastar Footwear Enterprises Co., Ltd. (“Eastar Footwear”); KGS Sourcing Ltd. (“KGS”); Mould Industria de Matrices Ltda. d/b/a Boaonda (“Boaonda”); Fujian Wanjiixin Industrial Developing, Inc. a/k/a Fujian Wanjiixin Light Industrial Developing, Inc. (“Wanjiixin Industrial Developing”); Walmart Inc. (“Walmart”); Jinjiang Anao Footwear Co., Ltd (“Anao”); Burlington Shoes, Inc. (“Burlington”); Mamiye Brothers Inc. (“Mamiye”); and Jinjiang LinQi Shoes & Clothes Co., Ltd. (“LinQi”). Crocs also moved to partially terminate the investigation with respect to current respondents Crocsky, Ink Tee, and Hobibear Shoes, and to amend the complaint to identify these three entities as “unknown manufacturers.”

On September 23, 2021, current respondents Hobby Lobby, Loeffler Randall, and Maxhouse Rise filed a response opposing the addition of any new respondents other than Walmart. On the same date, proposed respondent Eastar filed a response opposing the addition of itself as a respondent. Proposed respondent Walmart filed a response stating it did not oppose being named as a respondent, provided the proposed schedule is extended three months. OUII filed a response stating it did not oppose adding Huizhou, Orly, Eastar Footwear, KGS, Boaonda,

Wanjiixin Industrial Developing, Anao, and Walmart as proposed new respondents, provided steps are taken to minimize any potential prejudice. OUII opposed adding Burlington, Mamiye Brothers, and LinQi as respondents for lack of good cause. OUII did not oppose Crocs' motion to partially terminate the investigation with respect to Crocsky, Ink Tee, and Hobibear.

On October 21, 2021, the presiding CALJ issued the subject Order No. 30, granting Crocs' motion in part by adding Huizhou, Orly, Eastar Footwear, KGS, Boaonda, Anao, Wanjiixin Industrial Developing, and Walmart as respondents, but denying Crocs' motion with respect to proposed respondents Burlington, Mamiye Brothers, and LinQi for lack of good cause. Order No. 30 further grants Crocs' motion to partially terminate the investigation with respect to Crocsky, Ink Tee, and Hobibear, but denies its motion to amend the complaint to identify these three entities as "unknown manufacturers." Order No. 30 further states that a four-month extension of the procedural schedule, including the hearing schedule and target date, is necessary to avoid prejudicing the newly added respondents.

On October 22, 2021, the presiding CALJ issued the subject Order No. 31, extending the target date by four months to May 9, 2023. Order No. 31 also reschedules the evidentiary hearing to September 12-16, 2022, and the due date for issuance of the final initial determination on violation to January 9, 2023.

No party filed a petition for review of the subject ID.

The Commission has determined not to review Order No. 30 or Order No. 31. Huizhou, Orly, Eastar Footwear, KGS, Boaonda, Anao, Wanjiixin Industrial Developing, and Walmart are hereby added as respondents, and the investigation is partially terminated with respect to Crocsky, Ink Tee, and Hobibear. The target date is hereby extended to May 9, 2023.

The Commission vote for this determination took place on November 16, 2021.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Issued: November 17, 2021.

Lisa Barton,
Secretary to the Commission.

[FR Doc. 2021-25377 Filed: 11/19/2021 8:45 am; Publication Date: 11/22/2021]